

Statement of Considerations

REQUEST BY ALCOA, INC. FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN RIGHTS IN SUBJECT INVENTIONS MADE IN THE COURSE OF OR UNDER UT-BATTELLE, LLC SUBCONTRACT NO. 4000005582 UNDER PRIME CONTRACT NO. DE-AC05-00OR22725; DOE WAIVER DOCKET W(A)-00-035 [ORO-759]

ALCOA, Inc. (ALCOA) has made a timely request for an advance waiver to worldwide rights in Subject Inventions made in the course of or under UT-Battelle, LLC Subcontract No. 4000005582, entitled, "Energy Efficiency Opportunity Assessment for Aluminum Extrusion Plants" under UT-Battelle Prime Contract No. DE-AC05-00OR22725. The scope of work involves the development of a comprehensive plan to improve energy efficiency in aluminum extrusion applications. The work is sponsored by the Office of Industrial Technologies, Office of Energy Efficiency and Renewable Energy.

The dollar amount of the subcontract is \$239,665 with ALCOA cost sharing \$139,665 or 58%. The period of performance is approximately five (5) months.

ALCOA's experience and expertise will contribute substantially to the development of the inventions made under the subcontract. ALCOA is a major world producer of aluminum and is the largest primary aluminum producer in the United States. ALCOA is vitally interested in the development of energy saving operations and practices at all of its manufacturing plants. Furthermore, ALCOA has invested millions of dollars in research and development activities related to aluminum extrusion production, as well as in building commercial facilities to implement aluminum extrusion technology. ALCOA believes that the knowledge to be gained under the subject program will expedite the realization of meeting energy usage reduction goals and possibly result in significant energy savings programs within the aluminum extrusion industry.

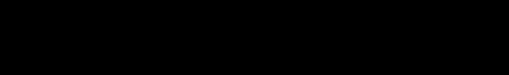
ALCOA has agreed to accept the attached DOE waiver terms and conditions if the requested waiver is granted. Specifically, ALCOA agrees to abide by the conditions set forth at 35 U.S.C. §202-204 relating to the Government license, march-in rights, preference for U.S. industry, as well as U.S. Competitiveness.

ALCOA agrees that any products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States, unless ALCOA can show to the satisfaction of DOE that it is not commercially feasible to do so. In the event DOE agrees to foreign manufacture, there will be a requirement that the Government's support of the technology be recognized in some appropriate manner, e.g., recoupment of the Government's investment, etc. ALCOA further agrees to make the above condition binding on any assignee or licensee or any entity otherwise acquiring rights to any waived invention, including subsequent assignees or licensees. Should ALCOA or other such entity receiving rights in any waived invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in the waived invention is suspended until approved in writing by DOE.

Granting of the waiver should have little effect on competition and market concentration since the primary objective of this program is to identify and reduce high energy consumption operations in the aluminum extrusion fabrication process.

Grant of the requested waiver should serve as encouragement to other DOE contractors that significant cost sharing will be recognized as an acceptable consideration for granting greater rights in Subject Inventions.


In view of the acceptable level of cost sharing by ALCOA and the objectives and considerations set forth in 10 CFR 784.4, all of which have been considered, it is recommended that the requested waiver for worldwide patent rights in subject inventions be granted.


Emily ~~C~~/Schneider
Assistant Chief Counsel for
Intellectual Property

Date 2/2/01


Based on the foregoing Statement of Considerations and the representations in the attached Waiver Petition, it is determined that the interest of the United States and the general public will best be served by a waiver of U.S. and foreign patent rights, and therefore, the waiver is granted. This waiver shall not apply to a modification or extension of the cost-shared contract where, through such a modification or extension, the purpose, scope or cost of the contract has been substantially altered.

CONCURRENCE:


~~Douglas E. Kaempf~~ *Scott Richlen*
Director
Office of Industrial Technology
Implementation A (EE-21)
Office of Industrial Technologies

Date: 03/22/2001

APPROVAL:


Paul A. Gottlieb
Assistant General Counsel for Technology
Transfer and Intellectual Property

Date: 3-30-01